

**SECRET**

10 MAR 1971

**MEMORANDUM FOR: Chief, Central Cover Staff****ATTENTION : Mr. Martin J. Lukoskie****SUBJECT : Robert A. MAHEU**

03 1. On 3 March 1971 I received a telephone call from (Frank Monan) an Agency employee assigned to the Retirement Affairs Division, Office of Personnel. He asked if I knew an Ed Mullin, who was a former Agency employee. I replied in the affirmative. He stated that Mullin had just called him and was interested in talking with me regarding his present position. He stated that Mullin is presently employed by an organization known as Intertel. I immediately recognized this outfit to be the group recently employed by Howard Hughes to take over the operation formerly performed by Maheu Associates.

2. In my subsequent conversation with Mullin, he advised that he recently retired from Government and has taken employment with Intertel. He described this organization as one that looks into operations of large corporations to ascertain whether any of their assets are being directed toward activities controlled by organized crime. He cited the National Football League as one of their clients. They also have been engaged by Howard Hughes to look into his Las Vegas operation which was formerly managed by Maheu. Mullin who served in the DDP while in the Agency seemed to recall that Maheu had some connection with us, but admitted he knew very little about the association. He stated that he had spent several weeks in Las Vegas going over the records pertinent to the transfer of the administration of the Hughes interests to his organization, and he would like guidance from us as to what he should do should they develop Agency connections with the Maheu organization.

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3. One of the things that concerns Mullin is that in perusing the material, they have noted that several of the records are missing. They want to be sure that if Maheu states that these particular records were purged from the files because they pertain to sensitive Government operations, this is actually the case and not a subterfuge to withhold pertinent information which could be used in the forthcoming law suit involving Hughes and Maheu.

4. I told Mullin that we may have on certain occasions used Maheu in the past possibly for cover purposes. I further told him that I was reasonably sure there was no connection with him at the present time.

5. He asked whom he should contact within the Agency should any questions arise during the course of their investigation. I told him that I should be the point of contact. He reiterated that he wanted to do all he could to preclude any embarrassment or compromise of Agency operations and would be in touch with me for any guidance in this regard.

6. On 15 March 1971 Mullin called me from Las Vegas and stated that in investigating one of Maheu's operations, he ran across the name of (Michael Merhige)<sup>03</sup> who purportedly recently represented Maheu's interests in (Quito, Ecuador)<sup>10</sup>. In checking into the background of this individual, he noted that he had previously been associated with an import-export firm in Miami prior to coming with Maheu. He was calling to determine whether we had any interest in this individual, and if so, how should he handle this facet of his investigation. I advised him that the name meant nothing to me, but I would check and call him back. He informed me that he was planning to leave for (Quito)<sup>11</sup> in the next day or two, but in the meantime, could be contacted at the Frontier Hotel, phone code 702, 735-9182.

7. Our records show that (Merhige)<sup>03</sup> was issued a Covert Security Approval on 19 December 1967 for utilization (in Ecuador)

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under Project<sup>02</sup>(LPGLOBE<sup>24</sup>(as a career agent under commercial cover). The file further indicates that (Merhige)<sup>03</sup> sent a letter of resignation to Maheu's Las Vegas office effective 31 December 1970.

8. A check of Mullin's security file shows that he resigned from CIA on 31 July 1961 to go with the Department of Justice. As of 11 February 1969 an approval of liaison was issued to Mullin who was then identified as Chief, Intelligence and Organized Crime Division, Bureau of Narcotics and Dangerous Drugs, Department of Justice. His security file is entirely clear.

9. While I have never had a close association with Mullin, I have known him for approximately twenty-three years; first as a fellow Special Agent in the FBI and later during his tenure with the Agency. Nothing has ever come to my attention to question his integrity and concern to do what would be in the best interest of his country. I am inclined to believe that his offer to assist us in any way to preclude the surfacing of our utilization of Maheu is sincere.

10. In discussing this matter with the Director of Security, it was his feeling that we advise Mullin that the Agency had an interest in some of (Merhige)<sup>03</sup>'s activities in (Ecuador), but they have been terminated; and further, there is no Agency connection with the Maheu organization at the present. However, should any further questions arise concerning (Merhige), we should ask him to contact us for further discussion.

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11. I have promised to call Mullin in the very near future and would appreciate early comments on the handling of this matter.



James P. O'Connell  
Deputy Director of Security (PTOS)

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